

Robert L. Brace, State Bar No. 122240  
rlbrace@rusty.lawyer  
115 E. Islay Street  
Santa Barbara, CA 93101  
Telephone: (805) 845-8211

Michael P. Denver, State Bar No. 199279  
mpdenver@hbsb.com  
HOLLISTER & BRACE,  
a Professional Corporation  
1126 Santa Barbara Street  
Santa Barbara, CA 93101  
Telephone: (805) 963-6711  
Facsimile: (805) 965-0329

Attorneys for Plaintiffs  
and all others similarly situated

**UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

JOHN WALTER MADISON, et al.,  Plaintiffs,  vs.  JOEL BARRY GILLIS, et al.,  Defendants.	Case No. 5:16-cv-00502-SJO (FFMx)  <b>DECLARATION OF JON CURRIE</b>
---	---

I, JON CURRIE, declare that the factual statements set forth below are true, based on my personal observations, and if I was on the stand in court under oath I would say the same.

1. In 2003 I learned about the existence of Nationwide Automated Systems, Inc. ("NASI") from a client as a possible investment. Based on materials provided by Joel Gillis and conversations with him, I learned that NASI sold ATM machines for \$12,000 and leased them back with rent paid based on the number of transactions each machine had, with a minimum guaranteed return of 20% annually. The rent fee paid to each investor was .50 per transaction per machine. If there were less than 400 monthly transactions on average per year, NASI would make up the difference. If there were more, the investor would participate.
2. Joel Gillis said their model was and would always be that investors would own

- 1/3 of the machines and NASI 2/3. Through my corporation, JCK Financial, Inc. ("JCK"), JCK bought ATMs from NASI in various purchases over the years starting in March 2003 and up to 2010. By the end of the purchases, JCK owned 120 machines and the company was receiving rent checks each month from NASI's account at City National Bank.
3. From 2003-2014, JCK received timely monthly rent payments from NASI's City National Bank account.
  4. I investigated NASI before JCK bought machines and started with 20 machines. Joel never solicited to sell more machines so JCK started buying more in 2006.
  5. In 2009 there was a huge recession where the stock and real estate markets collapsed. There was bad news reported everyday including financial institution failures and fraud with various investment funds. It was easy to be paranoid. At that time, I decided to be prudent and do further due diligence and evaluation on all personal and business assets including NASI.
  6. I had JCK hire a private investigator to look into NASI, Joel Gillis and Ed Wishner. He reported back that NASI was a solid operation, all of the customers were happy with NASI, and he found that Joel and Ed were elderly, conservative businessmen with no apparent criminal or civil issues.
  7. In late February or early March of 2009 I also met with Joel who assured me the company was in solid shape. Although the recession had dropped the number of transactions, they would make up the difference and they did. Joel also directed me to contact Brian Fitzwilliam who was the branch manager of the City National Bank branch where NASI did its banking.
  8. Soon after, I drove to the City National Bank branch in Woodland Hills to speak with Brian. I was told by an employee he wasn't available so I drove to my office and called him from there.
  9. I called and was transferred to a man who introduced himself on the phone as Brian Fitzwilliam, the branch manager. I told Brian that Joel had directed me to speak to him about NASI and he indicated he'd done several of these calls and was authorized to speak freely.
  10. Brian indicated that NASI was a valued, longtime customer with approximately \$4 million in its accounts at the time.
  11. I went on to describe the basic business facts on NASI to Brian which included that NASI managed approximately 10,000 ATM machines and owned 2/3 of them. Based on that, I told Brian that NASI should be receiving about \$3 million per month in rent for all machines, that NASI should be accumulating millions of dollars in profits each year, and that the rent income should be coming from companies like Cardtronics or similar companies and not individuals.
  12. I asked Brian if NASI's internal bank records with City National Bank were consistent with my description of the sources of rental income and the amounts I described. Brian responded that the bank records did comport with my stated understanding and my understanding of the facts about NASI was correct.
  13. Brian's confirmation and representations about NASI's rental income and operations was the sole reason I had JCK maintain its existing investments in
-

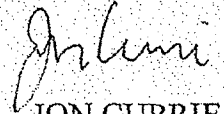
////  
///  
//

NASI ATM machines. Coming from a branch manager of the bank made all the difference.

I declare under penalty of perjury that the forgoing is true and correct.

Dated 3-23-17

By:

  
JON CURRIE